

AN ACT

relating to the creation of the Southeast Travis County Municipal Utility District No. 3; providing authority to impose a tax and issue bonds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 8384 to read as follows:

CHAPTER 8384. SOUTHEAST TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT
NO. 3

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8384.001. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Commission" means the Texas Commission on Environmental Quality.

(3) "Director" means a board member.

(4) "District" means the Southeast Travis County Municipal Utility District No. 3.

(5) "Municipality" means a municipality in whose corporate limits or extraterritorial jurisdiction the district is located.

Sec. 8384.002. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8384.003. CONFIRMATION AND DIRECTORS' ELECTION

1 REQUIRED. The temporary directors shall hold an election to
2 confirm the creation of the district and to elect permanent
3 directors as provided by Section 8384.051 of this code and Section
4 49.102, Water Code.

5 Sec. 8384.004. CONSENT OF MUNICIPALITY REQUIRED. (a) The
6 temporary directors may not hold an election under Section 8384.003
7 until each municipality has consented by ordinance or resolution to
8 the creation of the district and to the inclusion of land in the
9 district.

10 (b) If a municipality does not consent to the creation of
11 the district or if the district does not enter into an agreement
12 required by the terms of the municipal ordinance or resolution
13 consenting to the creation of the district under this section
14 before September 1, 2012:

15 (1) the district is dissolved September 1, 2012,
16 except that:

17 (A) any debts incurred shall be paid;

18 (B) any assets that remain after the payment of
19 debts shall be transferred to the municipality or another local
20 governmental entity to be used for a public purpose; and

21 (C) the organization of the district shall be
22 maintained until all debts are paid and remaining assets are
23 transferred; and

24 (2) this chapter expires September 1, 2012.

25 Sec. 8384.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

26 (a) The district is created to serve a public purpose and benefit.

27 (b) The district is created to accomplish the purposes of:

(1) a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution; and

(2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, or improvement of macadamized, graveled, or paved roads described by Section 54.234, Water Code, or improvements, including storm drainage, in aid of those roads.

Sec. 8384.006. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 2 of the Act enacting this chapter form a closure. A mistake made in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond;

(3) right to impose a tax; or

(4) legality or operation.

[Sections 8384.007-8384.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8384.051. GOVERNING BODY; TERMS. (a) Except as provided by Subsection (b), the district is governed by a board of five elected directors.

(b) If required under the terms of the agreement, ordinance, or resolution by which a municipality consents to the creation of

1 the district, the board consists of:

2 (1) four elected directors; and

3 (2) one director appointed by the governing body of
4 the municipality.

5 (c) A director appointed under Subsection (b)(2) is not
6 required to be a qualified voter of the district or to own land
7 subject to taxation in the district.

8 (d) Except as provided by Section 8384.052, directors serve
9 staggered four-year terms. A permanent director may not serve more
10 than two four-year terms.

11 (e) The common law doctrine of incompatibility does not
12 disqualify an official or employee of a municipality from being
13 appointed a director by the governing body of a municipality under
14 Subsection (b)(2), and a director appointed to the board may
15 continue to serve in a public office of or be employed by the
16 municipality.

17 Sec. 8384.052. TEMPORARY DIRECTORS. (a) On or after the
18 effective date of the Act enacting this chapter, the owner or owners
19 of a majority of the assessed value of the real property in the
20 district may submit a petition to the commission requesting that
21 the commission appoint as temporary directors the five persons
22 named in the petition. The commission shall appoint as temporary
23 directors the five persons named in the petition.

24 (b) Temporary directors serve until the earlier of:

25 (1) the date permanent directors are elected under
26 Section 8384.003; or

27 (2) the fourth anniversary of the effective date of

the Act enacting this chapter.

(c) If permanent directors have not been elected under Section 8384.003 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

(1) the date permanent directors are elected under Section 8384.003; or

(2) the fourth anniversary of the date of the appointment or reappointment.

(d) If Subsection (c) applies, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

[Sections 8384.053-8384.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8384.101. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 8384.102. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

1 Sec. 8384.103. AUTHORITY FOR ROAD PROJECTS. (a) Under
2 Section 52, Article III, Texas Constitution, the district may
3 design, acquire, construct, finance, issue bonds for, improve, and
4 convey to this state, a county, or a municipality for operation and
5 maintenance macadamized, graveled, or paved roads described by
6 Section 54.234, Water Code, or improvements, including storm
7 drainage, in aid of those roads.

8 (b) The district may exercise the powers provided by this
9 section without submitting a petition to or obtaining approval from
10 the commission as required by Section 54.234, Water Code.

11 Sec. 8384.104. APPROVAL OF ROAD PROJECT. (a) The district
12 may not undertake a road project authorized by Section 8384.103
13 unless:

14 (1) each municipality or county that will operate and
15 maintain the road has approved the plans and specifications of the
16 road project, if a municipality or county will operate and maintain
17 the road; or

18 (2) the Texas Transportation Commission has approved
19 the plans and specifications of the road project, if the state will
20 operate and maintain the road.

21 (b) Except as provided by Subsection (a), the district is
22 not required to obtain approval from the Texas Transportation
23 Commission to design, acquire, construct, finance, issue bonds for,
24 improve, or convey a road project.

25 Sec. 8384.105. COMPLIANCE WITH AND ENFORCEABILITY OF
26 MUNICIPAL CONSENT AGREEMENT, ORDINANCE, OR RESOLUTION. (a) The
27 district shall comply with all applicable requirements of any

1 ordinance or resolution that is adopted under Section 54.016 or
2 54.0165, Water Code, and that consents to the creation of the
3 district or to the inclusion of land in the district.

4 (b) Any agreement between the district and a municipality
5 related to the municipality's consent to the creation of the
6 district is valid and enforceable.

7 (c) On the issuance of bonds by the district, the district
8 is considered to have waived sovereign immunity to suit by a
9 municipality for the purpose of adjudicating a claim for breach of
10 an agreement described by this section.

11 Sec. 8384.106. CONTRACT TO FURTHER REGIONAL COOPERATION.
12 The district and a municipality may contract on terms that the board
13 and governing body of the municipality agree will further regional
14 cooperation between the district and the municipality.

15 Sec. 8384.107. NO EMINENT DOMAIN POWER. The district may
16 not exercise the power of eminent domain.

17 [Sections 8384.108-8384.150 reserved for expansion]

18 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

19 Sec. 8384.151. ELECTIONS REGARDING TAXES OR BONDS.

20 (a) The district may issue, without an election, bonds and other
21 obligations secured by:

22 (1) revenue other than ad valorem taxes; or

23 (2) contract payments described by Section 8384.153.

24 (b) The district must hold an election in the manner
25 provided by Chapters 49 and 54, Water Code, to obtain voter approval
26 before the district may impose an ad valorem tax or issue bonds
27 payable from ad valorem taxes.

1 (c) The district may not issue bonds payable from ad valorem
2 taxes to finance a road project unless the issuance is approved by a
3 vote of a two-thirds majority of the district voters voting at an
4 election held for that purpose.

5 Sec. 8384.152. OPERATION AND MAINTENANCE TAX. (a) If
6 authorized at an election held under Section 8384.151, the district
7 may impose an operation and maintenance tax on taxable property in
8 the district in accordance with Section 49.107, Water Code.

9 (b) The board shall determine the tax rate. The rate may not
10 exceed the rate approved at the election.

11 (c) If required by an agreement between the district and a
12 municipality under Section 8384.105, the total ad valorem tax rate
13 of the district may not be less than the total ad valorem tax rate of
14 the municipality.

15 Sec. 8384.153. CONTRACT TAXES. (a) In accordance with
16 Section 49.108, Water Code, the district may impose a tax other than
17 an operation and maintenance tax and use the revenue derived from
18 the tax to make payments under a contract after the provisions of
19 the contract have been approved by a majority of the district voters
20 voting at an election held for that purpose.

21 (b) A contract approved by the district voters may contain a
22 provision stating that the contract may be modified or amended by
23 the board without further voter approval.

24 [Sections 8384.154-8384.200 reserved for expansion]

25 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

26 Sec. 8384.201. AUTHORITY TO ISSUE BONDS AND OTHER
27 OBLIGATIONS. The district may issue bonds or other obligations

1 payable wholly or partly from ad valorem taxes, impact fees,
2 revenue, contract payments, grants, or other district money, or any
3 combination of those sources, to pay for any authorized district
4 purpose.

5 Sec. 8384.202. TAXES FOR BONDS. At the time the district
6 issues bonds payable wholly or partly from ad valorem taxes, the
7 board shall provide for the annual imposition of a continuing
8 direct ad valorem tax, without limit as to rate or amount, while all
9 or part of the bonds are outstanding as required and in the manner
10 provided by Sections 54.601 and 54.602, Water Code.

11 Sec. 8384.203. BONDS FOR ROAD PROJECTS. At the time of
12 issuance, the total principal amount of bonds or other obligations
13 issued or incurred to finance road projects and payable from ad
14 valorem taxes may not exceed one-fourth of the assessed value of the
15 real property in the district.

16 [Sections 8384.204-8384.250 reserved for expansion]

17 SUBCHAPTER F. STRATEGIC PARTNERSHIP AGREEMENT; MUNICIPAL
18 ANNEXATION AND NOTICE

19 Sec. 8384.251. STRATEGIC PARTNERSHIP; CONTINUATION OF
20 DISTRICT AFTER ANNEXATION BY MUNICIPALITY. (a) The district may
21 continue to exist as a limited district after full-purpose
22 annexation by a municipality if the district and the annexing
23 municipality state the terms of the limited district's existence in
24 a strategic partnership agreement under Section 43.0751, Local
25 Government Code.

26 (b) The strategic partnership agreement may provide for a
27 term of any number of years. The limitation in Section

43.0751(g)(2), Local Government Code, on the length of the term does not apply to a limited district created under this section.

Sec. 8384.252. MUNICIPAL ANNEXATION; NOTICE.

(a) Sections 43.0561 and 43.0562, Local Government Code, do not apply to the annexation of the district by a municipality that consents to the creation of the district under Section 8384.004.

(b) Not later than the 30th day after the date a municipality adopts a resolution or ordinance consenting to the creation of the district, the municipality shall file, in the real property records of the county in which the land to be included in the district is located, a notice to a purchaser of real property in the district that describes:

(1) the municipality's authority and intention to annex the district; and

(2) the anticipated date of the annexation.

(c) After the notice is filed, a person who proposes to sell or otherwise convey real property in the district must include the information contained in the municipality's notice in the Notice to Purchasers required by Section 49.452, Water Code.

SECTION 2. The Southeast Travis County Municipal Utility District No. 3 initially includes all the territory contained in the following area:

BEING ALL THAT CERTAIN TRACT OR PARCEL OF LAND OUT OF AND A PART OF THE JOSE ANTONIO NAVARRO SURVEY, ABSTRACT 18, SITUATED IN TRAVIS COUNTY, TEXAS, SAID TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED AS BEING A PORTION OF THAT CERTAIN 74.590 ACRE TRACT OF LAND CONVEYED TO QUALICO CR, LP IN DOCUMENT NUMBER 2008139825, ALL OF

S.B. No. 1915

1 THAT CERTAIN 23.841 ACRE TRACT OF LAND CONVEYED TO QUALICO CR, LP IN
2 DOCUMENT NUMBER 2007154328, A PORTION OF THAT CERTAIN 290.812 ACRE
3 TRACT OF LAND CONVEYED TO QUALICO CR, LP IN DOCUMENT NUMBER
4 2007160468, A PORTION OF THAT CERTAIN 49.020 ACRE TRACT OF LAND
5 CONVEYED TO CENTURY RANCH I, LP IN DOCUMENT NUMBER 2010119927 AND A
6 PORTION OF THAT CERTAIN 362.872 ACRE TRACT OF LAND CONVEYED TO
7 QUALICO CR, LP IN DOCUMENT NUMBER 2008082363 ALL OF THE OFFICIAL
8 PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS, SAID TRACT OF LAND BEING
9 562.688 ACRES OF LAND MORE FULLY DESCRIBED BY METES AND BOUNDS AS
10 FOLLOWS:

11 BEGINNING, at an iron rod found at the southwest corner of said
12 23.841 acre Qualico CR, LP tract, also being the southernmost
13 southeast corner of said 362.872 acre Qualico CR, LP tract, also
14 being a point on the northern right-of-way line of Pearce Lane, a
15 varying width public roadway, for the POINT OF BEGINNING of the
16 herein described tract,

17 THENCE, with the southern boundary line of said 362.872 acre
18 Qualico CR, LP tract and the northern right-of-way line of said
19 Pearce Lane, N63°00'48"W, a distance of 183.67 feet to an iron rod
20 found at the southwest corner of said 362.872 acre Qualico CR, LP
21 tract, also being the southeast corner of said 290.812 acre Qualico
22 CR, LP tract,

23 THENCE, with the southern boundary line of said 290.812 acre
24 Qualico CR, LP tract and the northern right-of-way line of said
25 Pearce Lane, the following three (3) courses and distances numbered
26 1 through 3,

27 1. N62°50'18"W, a distance of 259.97 feet to an iron rod found,

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1 2. N62°24'59"W, a distance of 199.34 feet to an iron rod found and
2 3. N61°59'58"W, a distance of 669.48 feet to a calculated point for
3 the southwest corner of the herein described tract,
4 THENCE, leaving the northern right-of-way line of said Pearce Lane,
5 and crossing said 290.812 acre Qualico CR, LP tract and said 49.020
6 acre Century Ranch I, LP tract, the following nineteen (19) courses
7 and distances, numbered 1 through 19,
8 1. N28°02'07"E, a distance of 720.75 feet to a calculated point,
9 2. N31°30'38"W, a distance of 170.81 feet to a calculated point of
10 curvature to the left,
11 3. with said curve to the left having a radius of 535.00 feet, an arc
12 length of 228.96 feet and whose chord bears N43°46'14"W, a distance
13 of 227.21 feet to a calculated point,
14 4. N56°01'50"W, a distance of 475.38 feet to a calculated point of
15 curvature to the right,
16 5. with said curve to the right having a radius of 20.00 feet, an arc
17 length of 31.42 feet, and whose chord bears N11°01'50"W, a distance
18 of 28.28 feet to a calculated point,
19 6. N33°58'10"E, a distance of 25.37 feet to a calculated point of
20 curvature to the left,
21 7. with said curve to the left having a radius of 1143.00 feet, an
22 arc length of 152.95 feet, and whose chord bears N30°08'09"E, a
23 distance of 152.84 feet to a calculated point,
24 8. N40°56'29"E, a distance of 469.43 feet to a point,
25 9. N56°53'58"E, a distance of 865.12 feet to a point,
26 10. N80°38'54"E, a distance of 302.42 feet to a point,
27 11. N50°01'31"E, a distance of 223.20 feet to a point,

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1 12. N14°09'53"E, a distance of 488.10 feet to a point,
2 13. N16°31'07"E, a distance of 26.41 feet to a point,
3 14. N08°11'43"E, a distance of 668.26 feet to a point,
4 15. N40°50'46"W, a distance of 58.27 feet to a point,
5 16. N22°14'54"E, a distance of 56.10 feet to a point,
6 17. N20°32'37"E, a distance of 151.41 feet to a calculated point of
7 curvature to the left,
8 18. with said curve to the left having a radius of 1143.00 feet, an
9 arc length of 397.93 feet, and whose chord bears N37°24'41"E, a
10 distance 395.93 feet to a calculated point,
11 19. N27°26'16"E, a distance of 467.26 feet to a calculated point on
12 the northern boundary line of said 290.812 acre Qualico CR, LP
13 tract, also being located on the southern boundary line of that
14 certain 130.5 acre tract of land conveyed to John Richards, Jr. in
15 Volume 2807, Page 382 of the Deed Records of Travis County, Texas
16 for the northwest corner of the herein described tract,
17 THENCE, with the northern boundary line of said 290.812 acre
18 Qualico CR, LP tract and said 362.872 acre Qualico CR, LP tract, the
19 following nine (9) courses and distances, numbered 1 through 9,
20 1. N75°19'19"E, a distance of 33.40 feet to a point,
21 2. N74°59'38"E, a distance of 231.78 feet to a point,
22 3. N87°19'49"E, a distance of 97.84 feet to a point,
23 4. N65°09'08"E, a distance of 331.76 feet to a point,
24 5. N54°26'47"E, a distance of 893.89 feet to a point,
25 6. N81°47'24"E, a distance of 654.16 feet to a point,
26 7. N16°08'07"W, a distance 200.20 feet to a point,
27 8. N71°43'37"E, a distance of 216.98 feet to a point and

1 9. S67°15'25"E, a distance of 246.43 feet to a point at the
2 northernmost corner of said 362.872 acre Qualico CR, LP tract, also
3 being a point on the western boundary line of that certain 147.806
4 acre tract of land conveyed to Gregory C. Weiss & Virginia G.
5 Bassett in Document Number 2006186612, for the northernmost corner
6 of the herein described tract,
7 THENCE, with the common boundary lines of said said 362.872 acre
8 Qualico CR, LP tract and said Gregory C. Weiss & Virginia G. Bassett
9 tract, the following two (2) courses and distances, numbered 1 and
10 2,
11 1. S29°46'38"W, a distance of 1015.44 feet to a point and
12 2. S63°19'24"E, a distance of 1970.74 feet to a calculated point on
13 the northern boundary line of said 362.872 acre Qualico CR, LP
14 tract, for the northeast corner of the herein described tract,
15 THENCE, leaving the said common boundary line and crossing said
16 362.872 acre Qualico CR, LP tract, said 161.518 acre Qualico CR, LP
17 tract, and said 74.590 acre Qualico CR, LP tract, the following
18 twelve (12) courses and distances, numbered 1 through 12,
19 1. S30°19'13"W, a distance of 1597.94 feet to a calculated point,
20 2. S31°33'30"W, a distance of 578.23 feet to a calculated point,
21 3. S18°05'14"E, a distance of 633.66 feet to a calculated point,
22 4. S30°27'47"W, a distance of 295.08 feet to a calculated point,
23 5. S62°26'37"W, a distance of 544.11 feet to a calculated point,
24 6. S16°17'52"E, a distance of 1014.45 feet to a calculated point,
25 7. S55°53'27"E, a distance of 506.81 feet to a calculated point,
26 8. S08°39'51"W, a distance of 919.38 feet to a calculated point,
27 9. S45°54'29"W, a distance of 698.92 feet to a calculated point,

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1 10. N84°08'57"W, a distance of 722.01 feet to a calculated point,
2 11. N77°46'45"W, a distance of 440.15 feet to a calculated point and
3 12. S59°39'27"W, a distance of 145.30 feet to an iron rod found on
4 the northern right-of-way line of said Pearce Lane and the southern
5 boundary line of said 74.590 acre Qualico CR, LP tract, for the
6 southeast corner of the herein described tract,
7 THENCE, with the northern right-of-way line of said Pearce Lane and
8 the southern boundary line of said 74.590 acre Qualico CR, LP tract
9 and said 23.841 acre Qualico CR, LP tract, the following six (6)
10 courses and distances, numbered 1 through 6,
11 1. N67°38'41"W, a distance of 186.74 feet to an iron rod found at a
12 point of curvature to the right,
13 2. with said curve to the right having a radius of 1329.27 feet, an
14 arc length of 478.34 feet and whose chord bears N57°19'42"W, a
15 distance of 475.76 feet to an iron rod found,
16 3. N47°00'32"W, a distance of 562.30 feet to an iron rod found at a
17 point of curvature to the left,
18 4. with said curve to the left having a radius of 1734.28 feet, an
19 arc length of 501.54 feet and whose chord bears N55°27'23"W, a
20 distance of 499.79 feet to an iron rod found,
21 5. N63°58'45"W, a distance of 167.98 feet to an iron rod found at a
22 point of curvature to the right,
23 6. with said curve to the right having a radius of 6994.05 feet, an
24 arc length of 222.75 feet and whose chord bears N63°26'01"W, a
25 distance of 222.74 feet to the POINT OF BEGINNING and containing
26 562.688 acres of land.

27 SECTION 3. (a) The legal notice of the intention to

1 introduce this Act, setting forth the general substance of this
2 Act, has been published as provided by law, and the notice and a
3 copy of this Act have been furnished to all persons, agencies,
4 officials, or entities to which they are required to be furnished
5 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
6 Government Code.

7 (b) The governor, one of the required recipients, has
8 submitted the notice and Act to the Texas Commission on
9 Environmental Quality.

10 (c) The Texas Commission on Environmental Quality has filed
11 its recommendations relating to this Act with the governor, the
12 lieutenant governor, and the speaker of the house of
13 representatives within the required time.

14 (d) All requirements of the constitution and laws of this
15 state and the rules and procedures of the legislature with respect
16 to the notice, introduction, and passage of this Act are fulfilled
17 and accomplished.

18 SECTION 4. This Act takes effect immediately if it receives
19 a vote of two-thirds of all the members elected to each house, as
20 provided by Section 39, Article III, Texas Constitution. If this
21 Act does not receive the vote necessary for immediate effect, this
22 Act takes effect September 1, 2011.

S.B. No. 1915

David Newhall
President of the Senate

Joe Straus
Speaker of the House

I hereby certify that S.B. No. 1915 passed the Senate on May 17, 2011, by the following vote: Yeas 31, Nays 0.

Patricia Spaul
Secretary of the Senate

I hereby certify that S.B. No. 1915 passed the House on May 23, 2011, by the following vote: Yeas 142, Nays 0, one present not voting.

Robert Haney
Chief Clerk of the House

Approved:

17 JUN '11
Date

Rick Perry
Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
4pm O'CLOCK

JUN 17 2011
John R. Edwards
Secretary of State